

CLEVELAND PUBLIC LIBRARY  
JUN 28 1938  
BUSINESS INFORMATION BUREAU  
CORPORATION FILE

J. J. NEWBERRY CO.  
NEW YORK

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*ANNUAL REPORT*

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DECEMBER 31, 1937

## ASSETS

### CURRENT ASSETS:

Cash in Banks, on Hand and in Transit _____	\$ 2,730,644.44
Miscellaneous Notes and Accounts Receivable (less Reserve \$5,795.38) _____	28,014.27
Merchandise—at the lower of cost or market (determined by responsible officials on the basis of physical inventories) _____	7,080,245.71
Total Current Assets _____	<u>9,838,904.42</u>
Notes Receivable of Employees (capital stock of the Company held as collateral) _____	12,350.83
Miscellaneous Investments and Advances—at cost _____	21,605.98

### PROPERTY AND EQUIPMENT:

Land, Buildings and Improvements —at or below cost _____	\$8,317,358.70
Less Reserve for Depreciation _____	542,382.19
	<u>7,774,976.51</u>
Furniture and Fixtures—at Cost _____	\$8,687,438.33
Less Reserve for Depreciation _____	2,921,125.27
	<u>5,766,313.06</u>
Alterations and Improvements to Leased Premises—at or below Cost _____	3,925,478.31
Less Reserve for Amortization _____	1,181,085.71
	<u>2,744,392.60</u>
	<u>16,285,682.17</u>

### PREPAID EXPENSES AND DEFERRED CHARGES:

Unexpired Insurance, Supplies, Prepaid Rents, Taxes, Etc. _____	279,451.17
Deferred Charges _____	65,847.10
	<u>345,298.27</u>
	<u><u>\$26,503,841.67</u></u>

The Board of Directors,

J. J. NEWBERRY CO., New York, N. Y.

We have made an examination of the Consolidated Balance Sheet as of December 31, 1937, and of the Consolidated Profit and Loss and examined or tested accounting records of the Companies and obtained information from officers and employees of the Companies; we also made a general review of the income accounts for the year, but we did not make a detailed audit of the same.

In our opinion, based upon such examination, the accompanying Profit and Loss and Surplus Accounts fairly present, in accordance with the accounting principles applied by the Companies during the year under review, their consolidated position as of the year.

New York, N. Y., February 21, 1938.

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## RECORD OF SALES AND EARNINGS

Year	Number of Stores	Sales	Earnings per share on Common Stock Outstanding
1912	1	\$32,382.71	N
1913	2	42,183.99	O
1914	3	92,640.38	T
1915	5	116,009.19	I
1916	5	151,464.52	N
1917	6	149,465.64	C
1918	7	276,449.11	O
1919	17	502,445.43	R
1920	17	751,984.16	P
1921	26	1,157,233.90	O
1922	33	1,750,066.32	R
1923	51	3,564,946.51	A
1924	68	5,114,338.79	T
1925	86	6,897,413.59	E
1926	112	9,985,073.71	D
1927	151	15,069,158.69	\$4.68
1928	210	20,609,366.02	6.42
1929	279	27,789,369.40	8.28
1930	335	30,187,391.73	*3.06
1931	379	31,146,802.06	3.65
1932	406	33,121,669.83	4.62
1933	417	35,146,574.03	†3.15
1934	431	41,054,217.93	2.22
1935	450	43,388,611.37	1.73
1936	461	48,376,510.11	1.07
1937	469	50,315,453.78	3.06

\* 300% Stock Dividend issued September 1st, 1926.

† 50% Stock Dividend and Rights to subscribe to 10% of holdings issued May 1st, 1929.

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## Consolidated Profit and Loss Account

### For the Year ended December 31, 1937

Sales .....			\$50,315,453.78
Cost of Merchandise sold and operating expenses, including general and administrative expenses, and after deducting income from rentals .....			46,481,382.52
			<hr/> 3,834,071.26
Deduct:			
Interest on Funded Debt .....	\$ 75,000.00		
Interest on Mortgages and Other Interest .....	161,859.91		
Provision for Depreciation and Amortization .....	676,910.13		
Other Charges—Net .....	982.52		
			<hr/> 914,752.56
Provision for Federal Income Tax and Surtax on Undistributed profits (\$162,302.91) .....			2,919,318.70
			<hr/> 595,293.15
			<hr/> 2,324,025.55
Dividends on preferred capital stocks of J. J. Newberry Realty Co. in hands of the public .....			68,571.20
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Net Income for the Year ended December 31, 1937 .....			<u><u>\$ 2,255,454.35</u></u>

## Consolidated Surplus Account

Balance as at December 31, 1936 .....			\$ 7,536,540.21
Net Income for the Year ended December 31, 1937 .....			2,255,454.35
			<hr/> 9,791,994.56
Deduct:			
Balance of certain store improvements unamortized at December 31, 1937 and portion of land costs—written off .....	\$457,045.58		
Accrued dividend on Preferred Stocks of J. J. Newberry Realty Co. at December 31, 1936 (paid in 1937) .....	11,428.16		
			<hr/> 468,473.74
Less:			
Additional Depreciation on Furniture and Fixtures (Restaurant Equipment) provided in 1936 in respect of the years 1934, 1935 and 1936, now reversed .....	\$87,444.66		
Adjustments of Federal Income Tax applicable to prior years, and Sundry Adjustments—net .....	20,136.56	107,581.22	360,892.52
			<hr/> 9,431,102.04
Dividends:			
5% Preferred Stock, Series A .....	249,930.00		
Common Stock—\$2.40 per share .....	913,070.40		1,163,000.40
			<hr/>
Balance as at December 31, 1937 (including \$16,024.89 Paid-in Surplus) ..			<u><u>\$ 8,268,101.64</u></u>

# J. J. NEWBERRY CO.

## AND SUBSIDIARY COMPANIES

Consolidated Balance Sheet As At December 31, 1937

### LIABILITIES

#### CURRENT LIABILITIES:

Accounts Payable, Bonuses, Accrued Interest, Etc. _____		\$ 1,598,927.73
Provision for Federal Taxes on Income and Capital Stock Tax _____		638,527.15
Total Current Liabilities _____		2,237,454.88
Mortgages Payable on Real Estate:		
Demand _____	\$ 37,000.00	
Term _____	2,838,400.00	
		2,875,400.00
(\$250,000.00 estimated to be paid on Mortgages in 1938)		
Five Year 3¼ % Notes due May 1, 1940		2,000,000.00
Reserve for Self-Insurance (Fire and Hold-Up) _____		147,647.41
Minority Interest in J. J. Newberry Realty Co.:		
Capital Stock:		
6½ % Cumulative Preferred, Series A—10,000 shares of \$100.00 each, less 14 shares in Treasury	998,600.00	
6 % Cumulative Preferred, Series B—610 shares of \$100.00 each	61,000.00	
	1,059,600.00	
Accrued Dividends thereon (due February 1, 1938) _____	11,428.16	
		1,071,028.16

#### CAPITAL STOCK AND SURPLUS:

5% Preferred, Series A—Par Value \$100.00 per share:		
Authorized, 75,000 shares.		
Issued, 49,986 shares _____	4,998,600.00	
Common, No Par Value:		
Authorized, 800,000 shares.		
Issued, 395,314 shares _____	5,208,571.89	
Earned Surplus _____	8,252,076.75	
Paid-in Surplus _____	16,024.89	
	18,475,273.53	
Less Cost of 14,868 shares of Common Stock in Treasury _____	302,962.31	
		18,172,311.22
		<u>\$26,503,841.67</u>

ce Sheet of J. J. Newberry Co. and Subsidiary Companies as at  
urplus Accounts for the year 1937. In connection therewith, we  
er supporting evidence and obtained information and explanations  
neral review of the accounting methods and of the operating and  
dit of the transactions.

nying Consolidated Balance Sheet and related Consolidated Profit  
ccepted principles of accounting consistently maintained by the  
tion at December 31, 1937, and the results of their operations for



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## OFFICERS

C. T. NEWBERRY.....	<i>Chairman of the Board</i>
J. J. NEWBERRY.....	<i>President</i>
E. A. NEWBERRY.....	<i>Vice-Pres. and Treas.</i>
J. L. BOUGHNER.....	<i>Vice-President</i>
T. H. HOCHSTRASSER.....	<i>Vice-President</i>
W. C. SCHULZ.....	<i>Secy. and Asst. Treas.</i>
J. H. EWEN.....	<i>Asst. Secy. and Asst. Treas.</i>

## DIRECTORS

C. T. NEWBERRY

J. J. NEWBERRY

E. A. NEWBERRY

J. L. BOUGHNER

T. H. HOCHSTRASSER

C. V. PALLISTER

W. C. SCHULZ

F. R. SMITH

J. H. EWEN

WALTER WILLIAMS

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